

MORNING CALL

29/10/2024

“A trading deadlock”

- World stocks: Stable sentiment - green covers
- Vietnamese stocks: A trading deadlock
- Macro news
- Business news: [#TNH](#), [#GEX](#), [#VGI](#), [#HHC](#), [#DCM](#), [#VJC](#)
- Event calendar
- Q&A

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Following SSV's Zalo,
Catching the latest report



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Global Market Review 28/10 – 1/11/2024

Major stocks market

- In regular trading on Monday, the Dow rose 0.65%, the S&P 500 gained 0.27% and the Nasdaq Composite edged up 0.26%. Those moves came as relief spread among traders after Israeli airstrikes on Iran avoided oil and nuclear facilities, easing initial fears. Investors now look ahead to job openings and labor turnover data for more insights on the labor market.
- European markets rose on Monday, with the Stoxx 50 gaining 0.7% and the Stoxx 600 up 0.5%, as investors watched developments in the Middle East at the start of a data-packed week in the final run-up to the US presidential election on Nov 5. A spate of economic data this week includes the Eurozone Q3 GDP report and inflation readings before the main US employment report on Friday, all of which could shape the rate path of both sides of the Atlantic.
- The Nikkei 225 Index rose 0.1% to around 38,660 while the broad-based Topix Index gained 0.3% to 2,665 on Tuesday, rising for the second straight session as investors continued to assess the implications of the recent election. Meanwhile, data showed that Japan's unemployment rate edged lower to 2.4% in September from 2.5% in August, the lowest in eight months. Investors now look ahead to the BOJ's policy decision on Thursday where it is widely expected to hold rates steady.
- WTI crude futures rose toward \$68 per barrel on Tuesday, likely rebounding technically after a 6% plunge in the previous session, its largest daily loss in two years.

Market	Close	%1D	%1M	%1Y
VN-Index	1,255	0.16%	-2.80%	18.31%
S&P 500 Index	5,824	0.27%	1.49%	41.44%
Dow Jones Index	42,388	0.65%	0.18%	30.75%
GP 100	8,286	0.45%	-0.42%	13.64%
Nikkei 225	38,634	0.07%	-3.00%	24.66%
SHCOMP Index	3,322	0.68%	7.60%	10.09%
STOXX 600	521	0.41%	-1.35%	21.27%
KOSPI Index	2,604	-0.33%	-1.73%	13.07%
Hang Seng	20,599	0.04%	-0.16%	18.40%

Commodity	Close	%1D	%1M	%1Y
Brent	72	0.43%	-0.35%	-20.72%
WTI	68	0.47%	-0.70%	-20.86%
Gasoline	197	0.30%	0.99%	-14.71%
Natural gas	2	-2.43%	-22.36%	-28.79%
Coal	145	-0.96%	3.40%	6.88%
Gold	2,749	0.24%	4.34%	37.72%
China HRC	3,596	2.86%	8.51%	-6.33%
Steel rebar	3,315	0.64%	3.79%	-8.73%
BDI index	1,410	-0.49%	-33.18%	-9.79%

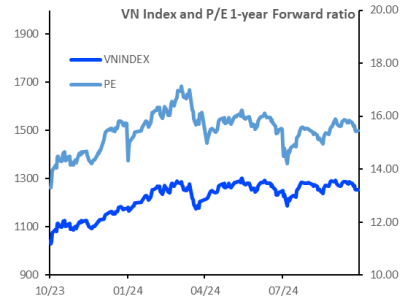
Currency	Close	%1D	%1M	%1Y
Dollar Index	104	-0.03%	3.88%	-2.14%
USD/VND	25,357	0.07%	-3.11%	-3.12%
EUR/USD	1	0.01%	-2.89%	1.87%
USD/JPY	153	0.12%	-6.19%	-2.61%
USD/CNY	7	-0.11%	-1.55%	2.55%
USD/GBP	1	0.01%	3.12%	-6.17%
USD/KRW	1,384	0.04%	-4.98%	-2.36%
USD/AUD	2	0.05%	5.07%	-3.12%
USD/CAD	1	-0.01%	-2.63%	-0.47%

Source: Bloomberg, Shinhan Securities Vietnam

Vietnam Market Snapshot 28/10/2024

Market data

	Close	PE	Change	%1D	Trading volume (mn stocks)	Trading value (VND bn)
VNI INDEX	1,254.77	15.44	2.05	0.16	366	9,152
HNX INDEX	224.59	17.93	-0.03	-0.01	49	565



Money flow and sector rotation (VND bn)

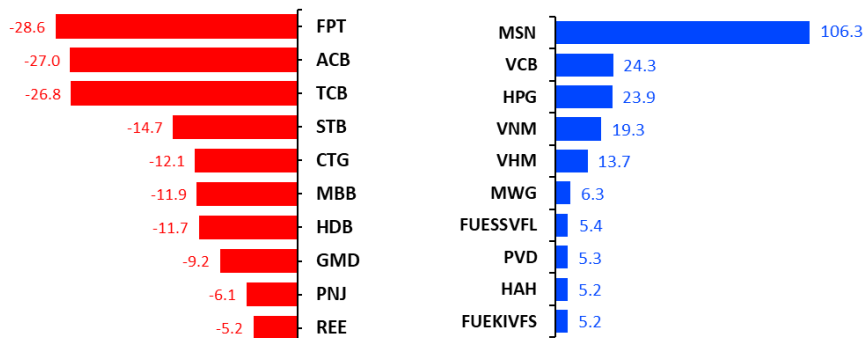
Ngành	%1D	10/28/2024	10/25/2024	TB 20 phiên	
Truyền thông		263.24	20	6	15
Tài nguyên Cơ bản		23.51	558	451	889
Hàng cá nhân & Gia dụng		16.40	126	108	172
Dịch vụ tài chính		2.89	1,174	1,141	1,792
Bảo hiểm	-0.5		12	12	23
Đầu khí	-6.5		85	91	162
Du lịch và Giải trí	-13.8		109	127	136
Công nghệ Thông tin	-14.5		224	262	482
Hàng & Dịch vụ Công nghiệp	-15.9		441	524	602
Điện, nước & xăng dầu khí đốt	-20.1		90	113	149
Bán lẻ	-23.5		378	494	732
Hóa chất	-25.7		346	466	576
Bất động sản	-29.5		2,021	2,868	2,332
Ô tô và phụ tùng	-33.1		73	109	173
Xây dựng và Vật liệu	-33.3		309	463	526
Thực phẩm và đồ uống	-34.3		885	1,348	1,158
Ngân hàng	-37.2		2,264	3,606	4,455
Y tế	-74.0		24	92	48

Source: Bloomberg. Shinhan Securities Vietnam

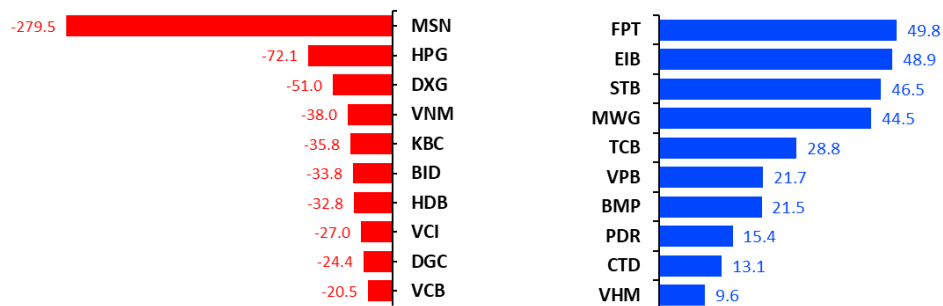


Vietnam Market Snapshot 28/10/2024

Top net buying & selling of proprietary trading (VND billion)



Top net buying & selling foreign investors (VND billion)



The net trading value of proprietary trading and investors by sector (VND billion)

Sub-sector	Proprietary trading (VND bn)	Foreign (VND bn)	Local Individual (VND bn)	Local Institutions (VND bn)
Real Estate	7	(68)	(255)	323
Basic Resources	25	(81)	53	28
Media	-	(3)	3	0
Industrial Goods & Services	(9)	(26)	32	(6)
Health care	-	(1)	1	(0)
Chemicals	1	(28)	30	(2)
Financial Services	(4)	(71)	80	(9)
Travel & Leisure	(2)	(6)	19	(14)
Banks	(99)	55	199	(254)
Construction & Materials	2	25	(37)	12
Food and Beverage	126	(336)	279	58
Retail	6	39	(26)	(13)
Utilities	1	(7)	8	(0)
Personal & Household Goods	(6)	3	(7)	5
Technology	(28)	49	(8)	(41)
Automobiles & Parts	(2)	3	1	(4)
Insurance	(1)	(0)	1	(0)
Oil & Gas	6	(4)	(2)	6
Total	22	(457)	370	87

Source: Fiiipro. Shinhan Securities Vietnam



Macro

- Exchange rate defies intervention, surges after central bank measures. On the morning of October 28th, the central exchange rate decreased for the second consecutive session, ending an 8-session upward streak; the free market rate dropped by 100 dong in both buying and selling, even as the US Dollar Index (DXY) continued to climb to 104.36 points. On the morning of October 28th, the State Bank of Vietnam set the central exchange rate at 24,252 VND/USD, slightly down 3 dong compared to the previous session (October 25th) and marking the second consecutive decrease after an 8-session rally. The ceiling rate is set at 25,464 VND/USD. The floor rate is set at 23,039 VND/USD
- The Ministry of Industry and Trade has assigned the Agency for E-commerce and Digital Economy to request Temu to comply with Vietnamese law, otherwise, there will be measures to block this platform. On October 26th, Minister of Industry and Trade Nguyen Hong Dien issued a document requesting the Agency for E-commerce and Digital Economy to proactively contact Temu's legal team to demand compliance with Vietnamese law. This must be done immediately in October. If necessary, the Ministry of Industry and Trade will cooperate with the Ministry of Information and Communications to 'take appropriate technical measures to block
- After two quarters of recovery, brokerage activities of securities companies contracted significantly in the third quarter. Brokerage revenue declined to its lowest level in five quarters amid declining market liquidity. Statistics in the third quarter of 2024 showed that total brokerage revenue at securities companies decreased by 28% compared to the same period in 2023 and by 23% compared to the previous quarter.



Business news

- **TNH:** At the end of August, TNH received approval from the State Securities Commission to increase the foreign ownership limit from 49% to 70%, a plan included in the 2024 Annual General Meeting Resolution. Immediately after the announcement of the plan to increase the foreign ownership limit, TNH's share price surged from the beginning of June, reaching a 2-year peak of VND 26,580/share on July 9th, a 38% increase in one month. However, the share price has since decreased by 19% to VND 21,600/share in the afternoon session of October 28th. The current foreign ownership ratio in TNH is 47.74%. Compared to the maximum foreign ownership limit of 70%, foreign investors can still purchase an additional 22.26% of TNH's capital
- **GEX:** Cumulative over 9 months, GELEX recorded a net revenue of 23,617 billion VND and a pre-tax profit of 2,270 billion VND, reaching 73.1% and 118.2% of the 2024 annual plan, respectively. Accordingly, in the third quarter, net revenue reached 8,709 billion VND, increasing nearly 6% compared to the previous quarter and 16% compared to the same period last year; pre-tax profit reached 502 billion VND, increasing 34% compared to the same period last year. Data analysis shows that the driving force behind GELEX's net revenue growth in the third quarter of 2024 primarily came from the positive growth of the electrical equipment segment. This segment recorded a net revenue of 5,789 billion VND, growing 38.4% year-on-year. This is also the highest quarterly net revenue in the last 3 years for the electrical equipment segment.
- **VGI:** Viettel Global has just released its consolidated financial report for the third quarter of 2024. The report shows that Viettel Global's revenue from sales and service provision reached nearly 9,130 billion VND, a 25% increase compared to the third quarter of 2023. This growth rate is five times higher than the global telecommunications growth rate (4.1% according to Gartner). Viettel Global has recorded 11 consecutive quarters of growth in net revenue compared to the same period last year



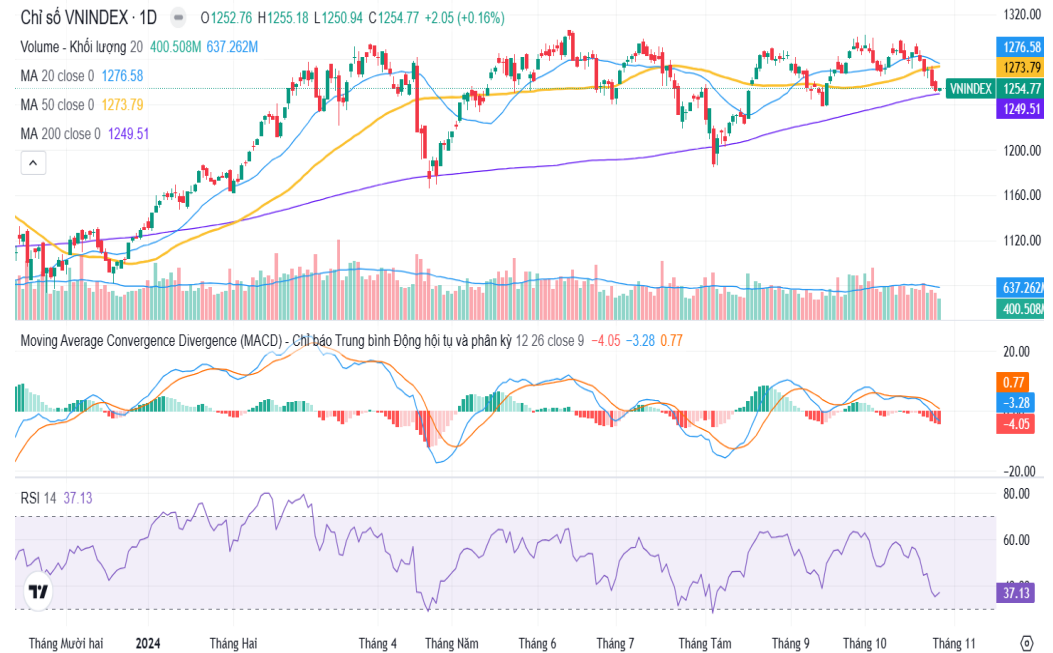
Business news

- **HHC:** VietinBank Capital has recently purchased 3 million shares of Hai Ha Confectionery, increasing its ownership from 0% to 18.26% of the company's capital and becoming a major shareholder. According to data recorded on the Hanoi Stock Exchange (HNX), on October 22, 2024, 5 million HHC shares were traded via the negotiated deal method, valued at 500 billion VND. Thus, it is estimated that VietinBank Capital has spent approximately 300 billion VND to acquire 3 million HHC shares.
- **DCM:** Ca Mau Petrochemical Fertilizer Corporation (Dam Cau Mau, stock code: DCM) has just released its Q3/2024 financial statements, reporting a net revenue of VND 2,634 billion, down 12% compared to the same period in 2023. A significant 20% decrease in the cost of goods sold contributed to a substantial increase in gross profit, reaching VND 375 billion, representing a 111% year-on-year growth. Dam Cau Mau reported a net profit after tax of nearly VND 121 billion, a 63% increase compared to the same period last year; of which, the after-tax profit attributable to the parent company's shareholders reached over VND 120 billion. However, this is still the lowest profit level in the last four quarters.
- **VJC:** Vietjet plans to raise 5,000 billion VND in the fourth quarter of 2024 through the issuance of 50,000 private, non-convertible, non-warrant, unsecured bonds. Previously, on September 25, 2024, Vietjet's Board of Directors approved a plan to issue 2,000 billion VND worth of private bonds. Accordingly, Vietjet plans to issue and offer 20,000 non-convertible, non-warrant, unsecured bonds with a par value of 100 million VND per bond.

Technical view

Trend: Short term correction

- The VNINDEX closed at 1,254.77 points, up 2.05 points (+0.16%) with trading volume lower than the 20-day average. The market saw 211 gainers and 162 decliners. Stocks contributing to the market's uptrend included HPG, FPT, and ACB, while VHM, EIB, and VNM weighed on the market. The banking sector turned green. Foreign investors net sold over 457 billion dong
- **Technical Analysis:** The index experienced its first recovery session after a prolonged decline, closing at 1254 points, near the MA200 support level. Trading was confined to a narrow range between 1250 and 1260 points. Low trading volume indicates a decrease in selling pressure, although buying interest remains cautious. In the base case scenario, the market will re-establish an equilibrium around 1250 and will face the next resistance at 1270. In a negative scenario, if buying pressure continues to be weak, the index is likely to retest the 1,240 level to attract new inflows
- **Strategy:** Investors should maintain their current holdings while the market remains in a sideways trend. Purchase recommendations should wait for the market to move towards the 1,270 level and show signs of a rebound, or for a clear breakout above 1,300.



Scenarios:

- Positive: The market is expected to break through 1,300
- Base: The market is expected to trade in 1,250-1,300 area
- Negative: The market breaks the support zone to the 1,220

Economic calendar

October 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
29	30	1 Fed Chair Powell Speech US ISM Manufacturing PMI SEP	2	3 US ISM Services PMI SEP	4 US Non Farm Payrolls SEP US Unemployment Rate SEP	5
6	7	8	9	10 Inflation Rate MoM SEP FOMC Minutes	11 Unemployment Rate (US) US PPI MoM SEP	12
13	14	15	16	17 US Retail Sales MoM SEP Expiration date of future contract VN30F2410	18 Japan inflation rate YoY	19
20	21 Announcement of Diamond index stock portfolio	22	23	24	25 US Durable Goods Orders MoM SEP	26
27	28	29 Vietnam macroeconomic data in October	30 US GDP Growth Rate QoQ Adv Q3	31 US Personal Income MoM SEP	1	2
3	4					



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